



U.S. Immigration
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News Release

Joint State and Federal Financial Task Force Dismantles Major Criminal Organization Tied to Human Smuggling

(Phoenix, Ariz. – October 4, 2004) Arizona Attorney General Terry Goddard and U.S. Attorney Paul Charlton today announced the crackdown on local used car dealers that provided Arizona human smuggling organizations with transport vehicles and the break up of one of those organizations. The investigation led to the seizure of 11 used car lots located in the Phoenix Metropolitan area.

This year-long, multi-agency investigation led to State Grand Jury indictments of 21 individuals on charges including illegally conducting an enterprise, money laundering, participating in a criminal syndicate and transportation of cocaine and marijuana. The defendants are currently in custody or out on bond with court dates pending.

In a separate but related case, the U.S. Attorney's Office indicted seven individuals last week on federal charges of Conspiracy to Transport Illegal Aliens. Four of those defendants also face State charges.

This investigation, initiated by the Arizona Attorney General's Office, was led by the Financial Crimes Task Force comprised of representatives from the Arizona Attorney General's Office, the Department of Public Safety and U.S. Immigration and Customs Enforcement. Last year the Task Force identified suspects who facilitated the movement of drugs and undocumented immigrants into and out of Arizona using a "rotational" system relying on vehicles supplied by complicit used car owners

The investigation led to used car lot owners who allegedly provided vehicles used in the commission of these crimes. Over the last month, Goddard's office has seized the following car lots:

- 35th Ave. & Lincoln
- Desert Auto Collision
- La Caliente Auto Sales
- Chicano's Auto Sales
- El Paisano Auto Sales
- Maximo Auto Sales
- B & L Auto Sales
- El Compita Auto Sales
- Noe Auto Sales
- Pena Auto Sales
- Lopez M Auto Sales

The results of the Arizona State search and seizure warrants are as follows:

Arrests	24
Vehicles	349 (with an approximate value of \$1,396,000.00)
Cash	\$86,931.93
Bank Accounts	\$364,303.44
Real Properties	9 (both residential and commercial)
Cocaine	2.96 pounds
Weapons	6

According to the indictments, the accused car dealers provided smugglers with fictitious title documentation for vehicles that had previously been seized by law enforcement. The phony titles helped smugglers elude detection when they used previously seized vehicles to transport human smuggling loads.

“The violence surrounding the drug and human smuggling operations is more dangerous than ever.” Goddard said. “The businesses targeted in this investigation appear to have profited on the violent coyote trade and they should bear substantial responsibility for the violence and death they bring to our state. This investigation sends a signal to those who knowingly aid these smuggling syndicates that we are watching and we will prosecute.”

The investigation also revealed that some of the accused car dealers installed secret compartments in vehicles to aid smugglers in concealing cocaine or cash. Finally, the car lots themselves served as vehicle supply depots for smugglers, who used them to acquire and store the vehicles needed to sustain their illegal enterprise. The arrangement offered smugglers a unique and essential commodity--vehicles that could not be traced or physically linked to them.

"By pooling our investigative resources and expertise, we've succeeded in dismantling a major criminal organization operating in our community," Charlton said. "The key to this case is that we attacked both the command and control structure of the organization as well as the infrastructure the ring relied on to commit the crimes."

ICE

U.S. Immigration and Customs Enforcement is the largest investigative arm of the Department of Homeland Security.